

ENRTP STRATEGIC COOPERATION AGREEMENTS
ANNEX 4 – PROGRESS PROJECT REPORT

Reporting Period	September 2011 – December 2012
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DESCRIPTION

ENRTP Priority	3.1 - External Environment Policy	EC Directorate General, Environment	ENV
Programme of Work	Subprogramme 4 – Environmental Governance; Expected Accomplishment: a/iv		
Project's Title	Consultative Process on Financing Options for Chemicals and Wastes		
Location	Global		
Total duration	September 2011 – December 2012		

Responsible Entity	Division of Environmental Law and Conventions
UNEP Project Manager	Jacob Duer
EC Project Manager	Jill Hanna

Date of EC Approval:	16 September 2011		
EC Allocation (EUR):	EUR 180,000		
Date of Allocation/Transfer:	September / October 2011 and January 2013		
Amount (USD)	USD 133,330	Exchange Rate:	1.3333
Total Expenditures (USD)	USD 133,330	Total Expenditures (EUR)	EUR 100,000

SUMMARY PROJECT STATUS

i) Status of implementation of the project at the time of reporting

- The project has been completed during the reporting period with the Executive Director's submission of a proposal on an integrated approach to financing options for chemicals and wastes as contained in UNEP/GC.27/7 entitled Consultative process on financing options for chemicals and wastes: implementation of Governing Council decisions SS.XI/8, 26/7 and SS.XII/4: Report of the Executive Director.
- The submission of the Executive Director's proposal was the culmination of the consultative process on financing options for chemicals and wastes that started in 2009. The Executive Director's proposal was submitted to GC.27/GMEF for possible decision making.
- The GC took a decision on an integrated approach and welcomed such an approach underscoring that the three components of an integrated approach: mainstreaming, industry involvement and dedicated external financing are mutually reinforcing and are all important for the financing of sound management of chemicals and wastes.
- The full decision of the GC on an integrated approach from the consultative process on financing options for chemicals and wastes is contained in decision 27/12 on chemicals and wastes.

ii) Progress towards achieving the project's objectives

- The meetings required to conclude the consultative process and for the Executive Director to prepare a proposal on an integrated approach have been held, namely the fifth meeting of the consultative process in Bangkok in October 2011 and the consultative meeting on the Executive Director's draft proposal on an integrated approach in Mexico in September 2012.
- It is considered that the outcome of the process, the Executive Director's proposal and the welcoming by governments of an integrated approach to financing sound management of chemicals and wastes does respond successfully to the quest for addressing the issue of sustainable, predictable, adequate and accessible financing for the chemicals and wastes agenda.

iii) Performance remarks and highlights

- That following an intensive consultative process with a wide range of political discussions on means of implementation, the integrated approach, as welcomed by governments at the UNEP GC, underscores that mainstreaming, industry involvement and dedicated external finance are mutually reinforcing and are all important for financing sound management of chemicals and wastes;
- That invitations have been extended to GEF to revise its focal area structure and strategy on chemicals and wastes, to the Basel, Rotterdam and Stockholm Conventions as well as to ICCM to take steps to implement an integrated approach and to the Conference of Plenipotentiaries of the Minamata Convention to consider the integrated approach;
- That an invitation has been extended to Governments to establish, through an existing institution, a special programme, funded by voluntary contributions, to support institutional strengthening at the national level for the implementation of the chemicals and wastes agenda.
- That the Executive Director of UNEP has been requested to facilitate and support a country-led meeting of governments and REIOs, open to interested stakeholders, to further develop the terms of reference for such a special programme.

CHALLENGES, MANAGEMENT ACTIONS, RISK MITIGATION PLAN:

Main implementing challenges, if any, and strategy/actions which have been adopted to address them

- Although open to all governments, the consultative process has seen limited participation in its meetings with 50-60 participants attending each meeting representing approximately 30 governments, industry, CSO and IGOs. The discussions in these meetings have been informal and in a non-negotiating environment. While this, on one hand, has provided a frank and open dialogue and allowed for participants to brainstorm beyond national positions, it also made the actual development of the Executive Director's final proposal a significant challenge recognizing the diverging views among the participants, in particular, as it relates to dedicated external financing.
- In light of the above challenges in presenting a balanced proposal, the negotiations on the Executive Director's proposal and an integrated approach to financing sound management of chemicals and wastes during GC.27/GMEF were faced with significant challenges and at times opposition. Despite the diverging views in particular between developed countries (donors) and developing countries and countries with economies in transition, GC.27 arrived at a consensus decision on an integrated approach and its components. A particular achievement seen by many developing countries with the recognized need for institutional strengthening at the national level and the invitation to governments to establish a special programme for institutional strengthening for which the Terms of Reference are to be developed at a country-led meeting.
- Overall the implementation challenges were sought addressed through promoting and ensuring a transparent consultative process, information sharing and an on-going dialogue among governments and between governments and the UNEP secretariat.

List potential risks (internal and external) that may jeopardize the implementation of activities and/or the achievement of outputs and outcomes

- As the project has been implemented no further risks are envisaged in relation to a decision at the UNEP GC on an integrated approach. However, during the implementation of the project a significant risk was associated to possible political fallout and commitment by governments who participated in consultative process as well as during the negotiations during the UNEP GC on an integrated approach. In particular, the risk was associated to as to whether an integrated approach would be able to respond to the call for sustainable, predictable, adequate and accessible financing for the chemicals and wastes agenda.

Actions have been planned to mitigate the identified risks.

- The main action undertaken to mitigate the above-mentioned risk was to ensure that the process was as transparent as possible. Hence all documents related to the process, including outcome and background documents were made available on a dedicated webpage for the consultative process (www.unep.org/delc) and side-events about the process were held at relevant chemicals and wastes related meetings.
- Throughout the consultative process all governments were provided with the opportunity to contribute to the discussions through written communication and all countries that expressed interest in attending the meetings of the consultative process were welcome and sponsored, as appropriate, also when a given country had not initially been invited.

OUTCOME SUMMARY

- **Outcome 1 (Bangkok meeting):** Conclusions of the consultative process on financing options for chemicals and wastes on how to further enhance the funding base for the chemicals and wastes agenda.
- **Indicator:** Outcome Document of the consultative process submitted to the Executive Director
- **Result achieved:** The Outcome Document of the consultative process was submitted to the Executive Director. The Document sets out the views and contributions of the participants in the consultative process based on the discussions during the five meetings in the process. While the Outcome Document was not intended to present a consensus view, in some areas there was a common understanding. The outcome of the consultative process can be presented as the proposal for an integrated approach to financing the sound management of chemicals and wastes. The integrated approach is a strategic and synergistic proposal to improve financing for the sound management of chemicals and wastes at all levels, with the aim of attaining the goal agreed upon at the World Summit on Sustainable Development that by 2020 chemicals are used and produced in ways that lead to the minimization of significant adverse effects on human health and the environment. The overall aim of the integrated approach is to respond to the challenges posed by chemicals and wastes management and to build upon the opportunities afforded by each track to respond to the varying needs under the conventions related to chemicals and wastes and relevant international policy frameworks.
- **Outcome 2 (Mexico meeting):** Concrete comments, views and thoughts provided to the Executive Director's draft proposal on an Integrated Approach to Financing the Sound Management of Chemicals and Waste.
- **Indicator:** Key governments and other stakeholders participated in the meeting and provided oral and/or written comments to the Executive Director's draft proposal on an Integrated Approach to Financing the Sound Management of Chemicals and Wastes.
- **Result achieved:** Comments to the Executive Director's draft proposal was received from more than 15 governments as well as from NGOs and IGOs. The comments provided when taken into consideration by the Executive Director in the finalization of the proposal for an Integrated Approach which was submitted to GC.27 for consideration and possible decision making.

OUTPUT PERFORMANCE

- **Output 1 (Bangkok Meeting):** The main activity supported by this project was to provide the necessary assistance to convene the fifth meeting of the consultative process on financing options for chemicals and wastes with governments and other stakeholders in Bangkok. All activities planned under this output were implemented during the reporting period. The outcome of the meeting is contained in the Outcome Document as referred to in Annex 1 below under Supporting Documents.
- **Output 2 (Mexico Meeting):** The main activity under this project was for the Executive Director to convene a meeting to consult governments and other stakeholders on his draft proposal on an integrated approach for financing the sound management of chemicals and wastes. The meeting was held as planned and the necessary input, views and advice was received from the participants to the meeting on the Executive Director's draft proposal. Based on the comments received during the meeting as well as those received in writing, the Executive Director was able to finalize his proposal for submission to GC.27. The Executive Director's proposal for an integrated approach to financing options for chemicals and wastes is referred to in Annex 4 below under Supporting Documents.

RESOURCES AND BUDGET

- The funding provided for the project has been utilized as envisaged, namely for the fifth meeting of the consultative process in Bangkok as well as the consultative meeting on the draft proposal on an integrated approach in Mexico City. In addition, resources have been utilized for the translation of documents and in securing external support to conceptualizing certain elements of the integrated approach.
- In addition to funding from the EC, funding has also been obtained for the entire consultative process (beyond the duration of this project) from the Government of Sweden, the Government of Norway, the Government of Germany as well as from the Nordic Council.
- UNEP has provided significant in-kind contributions to the project through staff time at all levels. Financial support from UNEP for the travel of UNEP staff to the relevant meetings has also been provided.

WORK PLAN FOR THE NEXT REPORTING PERIOD:

- All activities related to the project have been implemented. Hence no further reporting period.
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VISIBILITY:

- Throughout the consultative process on financing options on chemicals and waste outreach has been made through side events at UNEP GC, MEA COPs and other relevant meetings, including briefings to SAICM and OEWG.
- Moreover, briefings have also been made to the bureau meetings of the Basel, Rotterdam and Stockholm Conventions as well as during the regional meetings and negotiations of a globally legally binding instrument on mercury.
- A dedicated webpage has been made for the consultative process where all the relevant documents and outcomes have been made available.
- Briefings on the consultative process has also been made to the Permanent Missions in Geneva and New York as well as to the Committee of Permanent Representatives in Nairobi.

FINAL REMARKS:

i) Lessons learned during project design and implementation

- The project can be considered successful as its objective has been achieved, including the adoption by GC.27 of a decision on an integrated approach for financing sound management of chemicals and wastes.
- Lessons learned include a) the importance of communication and broad based government involvement, in particular, regular outreach to governments and other relevant stakeholders, including briefings; b) the benefit of relative small meetings towards a more open and frank dialogue; c) the added value of creating a trusted and non-negotiating environment for ideas to emerge beyond national positions; and d) the challenges in managing the transition from an informal and non-negotiating process to full-fledged negotiations.

ii) Stakeholder participation and level of engagement/satisfaction

- In general, the meetings saw appropriate government and other stakeholder participation in the meeting and there was a general agreement among the participants that they represented appropriate regional balance and that industry, CSO and IGO participation was important.

iii) Links and synergies developed with other projects

- The project has significant links to the on-going activities related to enhancing cooperation and cooperation (synergies) among the chemicals and wastes related conventions as well as to the future of synergies mandate for which UNEP has a mandate.
- In light of the original of the consultative process, the project also has strong links to on-going work by the Basel, Rotterdam and Stockholm Conventions related to financial resources.

iv) Main issues and recommendations for the attention of the donor

- No specific issues were noted.

v) Overall observations on project performance and whether the projects has had any unforeseen positive or negative results.

- It is believed that the outcome of the consultative process on financing options for chemicals and wastes, and hence this particular project, will be considered successful as similar processes in other areas, such a biodiversity are being launched.
- Furthermore, the project has most certainly had a significant positive contribution to the successful conclusions of a financial mechanism for the Minamata Convention on Mercury.

ANNEXES:

Supporting documents:

Annex 1: UNEP/GCSS.XII/INF/7: Outcome document of the consultative process on financing options for chemicals and wastes

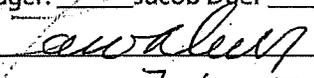
Annex 2: UNEP/GCSS.XII/8: Consultative process on financing options for chemicals and wastes: final report on the implementation of Governing Council decisions SS.XI/8 and 26/7: Report of the Executive Director

Annex 3: SS.XII/4: Consultative process on financing options for chemicals and wastes (page 13)

Annex 4: UNEP/GC.27/7: Consultative process on financing options for chemicals and wastes: implementation of Governing Council decisions SS.XI/8, 26/7 and SS.XII/4 : Report of the Executive Director

Annex 5: Decision GC.27/16: Consultative process on financing options for chemicals and wastes

UNEP Project Manager: Jacob Dyer

Signature: 

Date of Submission: 7.6.13